

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 7338**

**BILL NUMBER: HB 1371**

**DATE PREPARED:** Dec 31, 2000

**BILL AMENDED:**

**SUBJECT:** Property Tax Refunds.

**FISCAL ANALYST:** Bob Sigalow

**PHONE NUMBER:** 232-9859

**FUNDS AFFECTED:**      **GENERAL  
DEDICATED  
FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** This bill eliminates the requirement that a property tax refund claim must be filed within three years after the taxes were first due.

**Effective Date:** Upon passage.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** Under current law, a taxpayer may file a claim for a property tax refund if (1) the taxes were assessed and paid twice, (2) the taxes were illegal, or (3) there was a mathematical error in the assessment computation or the tax computation. The taxpayer may file the claim only for taxes with due dates within the past three years.

This bill would remove the three-year limitation and allow refund claims to be filed for property taxes paid in any year. Removal of the three-year limitation would increase the amount of property tax refunds by an unknown, but possibly substantial, amount for which taxpayers could be eligible.

County treasurers pay refunds from the county General Fund and are reimbursed from the local units' tax distributions. Additional refunds would reduce the amount of property tax distributions made to the taxing units that serve the taxpayers receiving the refunds.

**State Agencies Affected:**

**Local Agencies Affected:** County auditors; Local governmental units and school corporations.

**Information Sources:**